Curtailment of Government Expenditure

979. SHRI BALWANT SINGH RAMOOWALIA:
SHRI BRIINDER SINGH HAMDARD:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Government have decided not to allow the amount of fiscal deficit go beyond 5-6 per cent during the current financial year;

(b) if so, whether Government have implemented the measures to increase the income and to reduce the expenses; and

(c) if so, what effective measures have been taken to curtail the Government expenditure and the percentage decrease in the expenditure likely to take place as a result thereof?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) to (c) Budget 1989-99 assumes a fiscal deficit of Rs. 91025 crore which works out to 5.6% of the projected GDP. Expenditure and receipts for the current year are being reassessed and variation, if any, in the fiscal deficit will be reflected in the revised estimates for 1998-99 and will be shown in the ensuing Budget. Government would, however, endeavour to contain the fiscal deficit by maximising non-debt receipts and controlling expenditure.

Advice rendered by Disinvestment Commission

980. SHRI NILOTPAL BASU: Will the Minister of FINANCE be pleased to state:

(a) whether Government have put the disinvestment programme in place scheduled to be initiated in September this year; if so, how much resources have been mopped up till date and if not, the reasons for not going ahead with the programme;

(b) whether the Disinvestment Commission formed by Government for the purpose has advised Government against initiating disinvestment of PSU shares at a time when the Indian stock market is under selling pressure; and

(c) if not, the nature of advice rendered by the Commission and the action taken by Government thereupon?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) An amount of Rs. 221.65 crores has been raised by Government through a sale of 9 million shares of CONCOR in domestic market in November, 1998.

(b) No such specific advice has been rendered by the disinvestment Commission.

(c) The Disinvestment Commission advises Government on the method and extent of disinvestment in different PSUs referred to it. The Government considers the advice and takes action as deemed necessary.

Constitution of Expenditure Management and Reforms Commission

981. SHRI S. PETER ALPHONSE: Will the Minister of FINANCE be pleased to state:

(a) the steps taken to constitute Expenditure Management and Reforms Commission, as announced in the budget Speech by the Finance Minister; and

(b) whether concerted opinion has been taken/is being taken from elite citizens and reputed economists in the country?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) and (b) The constitution of the Expenditure Management and Reforms Commission as envisaged had not been possible because of genuine difficulties experienced in securing the consent of the Members of Parliament, who had been identified, to serve on the Commission. The involvement of representatives of political parties of diverse views and philosphies had been considered desirable in order to evolve a consensus on the crucial and important issues involved.